



Investment Memorandum

*Resort, villas & marina
development opportunity
on Korčula island, Croatia*

August, 2024

the Croatian hospitality market is b(l)ooming



2023 -

(yet another)

record year for Croatian tourism



- one of the most visited countries on the Mediterranean - 20.6 million tourist arrivals (+9.7 % compared to 2022)
- EUR 14.6 billion of total tourism revenue (+11.5%) constitute almost 20 % of gross domestic product (GDP)
- main feeder markets are Germany, Croatian domestic market, Slovenia and Austria



- Croatian tourism will continue to thrive in 2024, based on most recent forecasts of the Croatian Tourism Board
- early 2023 saw an adoption of the “Sustainable Tourism Development Strategy” – a key legislation aiming to make tourism less seasonal, promote year-round and regionally balanced tourism, boost competitiveness and innovation, and create a resilient tourism framework for the future development

a secluded bay & islet within pristine nature

45,000 sqm

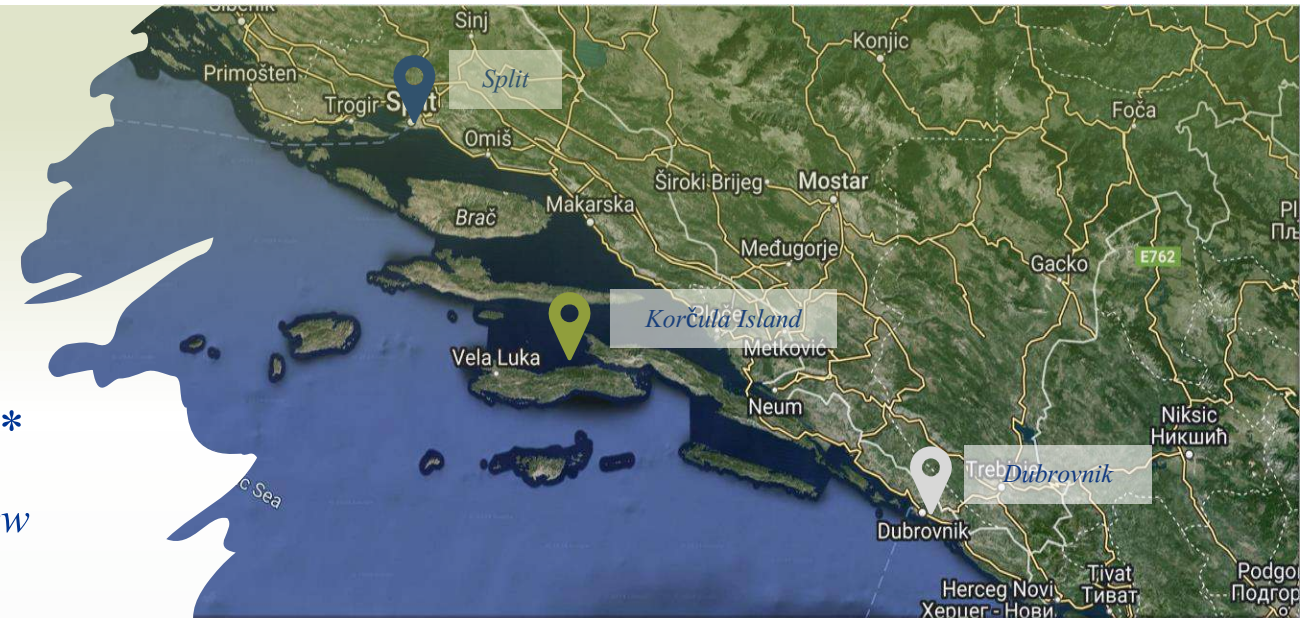
*of prime seaside buildable land**

- hilly terrain with full panoramic view*
- green bay with direct beach access*

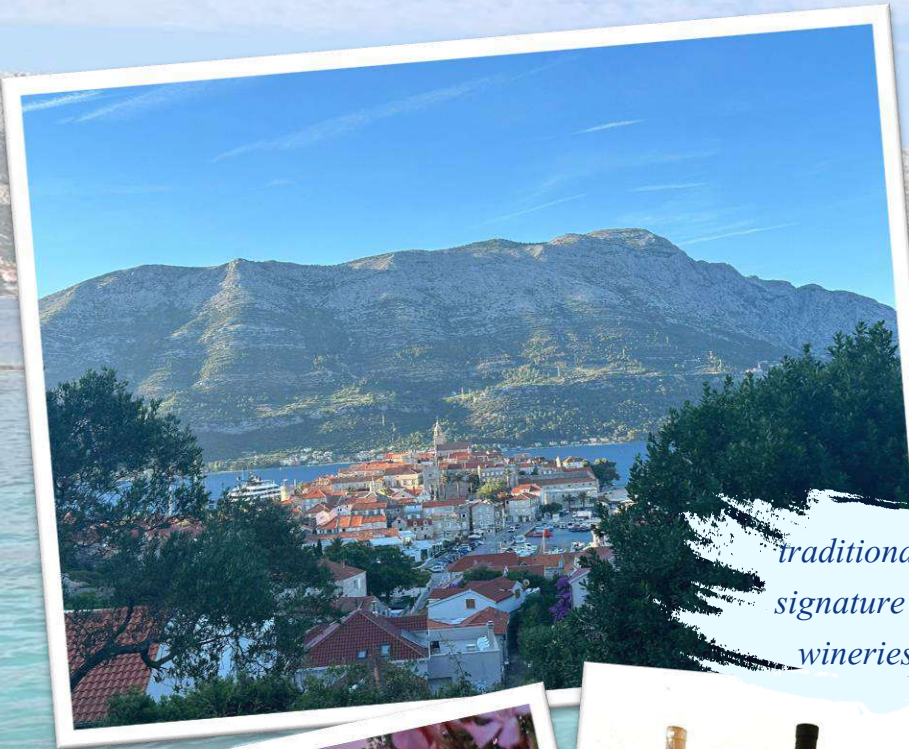
+

*an islet & maritime domain (potential concession)** for marina and beaches*

*T1 hotel zoning, **LNT marina zoning



Korčula island – abundant nature, culture and gastronomy



*traditional cuisine with
signature dishes and 51
wineries on Korčula*



*heritage sites &
magnificent views*



the islet of Otočac

to be integrated into the development:

- *Mediterranean botanical garden*
- *tranquility and indulgence for slow luxury*
- *a Zen space for relaxation, wellbeing and spiritual health*



the development potential



upper-upscale resort with 126 keys ...*



... including 50 suites (with buy-to-let potential)*



**based on proposed room program, project renderings provided by ATP architects*

... 22 branded luxury villas (buy-to-let) ...



... and a boutique marina with 80 berths



other resort facilities



project site and development potential



**based on proposed masterplan, project renderings provided by ATP architects*

project overview – current planning

Site information

location / address	Prišćapac 1, 20271, Blato, Croatia
owner	Adriatic Development Corporation (ADC) d.o.o. - separate SPV
title for the proposed hotel site	freehold
plot size	about 45,000 sqm (land) + 47,800 sqm of maritime concession area available; islet (concession) with 37,000 sqm

Current planning

asset type	<ul style="list-style-type: none"> o hotel with rooms and suites (the latter potentially to be offered as buy-to-let) and villas (buy-to-let) o T1 zone (designated for hospitality purposes) + concession area for marina development (LNT zone)
PKF classification	upper upscale with elements of luxury
operator	tbd.
no. of keys	<ul style="list-style-type: none"> o 126 (incl. 50 suites) in hotel o 22 luxury villas o 80 Marina berths
food and beverage	<ul style="list-style-type: none"> o flexible F&B outlets possible around central kitchen, e.g. all-day dining restaurant (200 pax) + specialty restaurant (100 pax) o large marina restaurant with flexible possible setups o wine & specialties bar, lobby bar, pool bar, beach bar
meeting space	<ul style="list-style-type: none"> o multipurpose MICE room (109 sqm), board room o additional options in marina restaurant
garage	162 indoor parking places + 21 external + 2 parking spots per each villa
other facilities	<ul style="list-style-type: none"> o spa and wellness centre (8 treatment rooms), 1,100 sqm o two main beaches (+ potential for another beach on islet) o outdoor and indoor pools o sports centre, terraces, lobby reception, concept store, technical rooms, central kitchen in the main hotel building, etc.



project renderings provided by ATP architects

important points to note



Flexibility in planning and developing real estate

The proposed hotel and branded residence project can be adapted and revised as a potential buyer sees fit. Suites can additionally be turned into buy-to-let.



Multi-phased development option

The main hotel building could be built in two or even three steps, thus postponing the construction of its proposed wing(s). The same applies for building a smaller number of villas in the start. A multi-phased approach de-risks the initial investment and provides higher long-term upside potential for the buyer.



Land ownership

Freehold landownership of c. 45,000 sqm, while beach strip (incl. the location of the marina restaurant) and maritime grounds can be obtained via concession from the local authorities.



Asking price upon request

An initial personal meeting is preferred by the seller.



Detailed market analysis and financial projections available

The illustrative financial forecasts, based on the proposed development and deriving operational assumptions, indicate a favorable outlook for a potential investment.

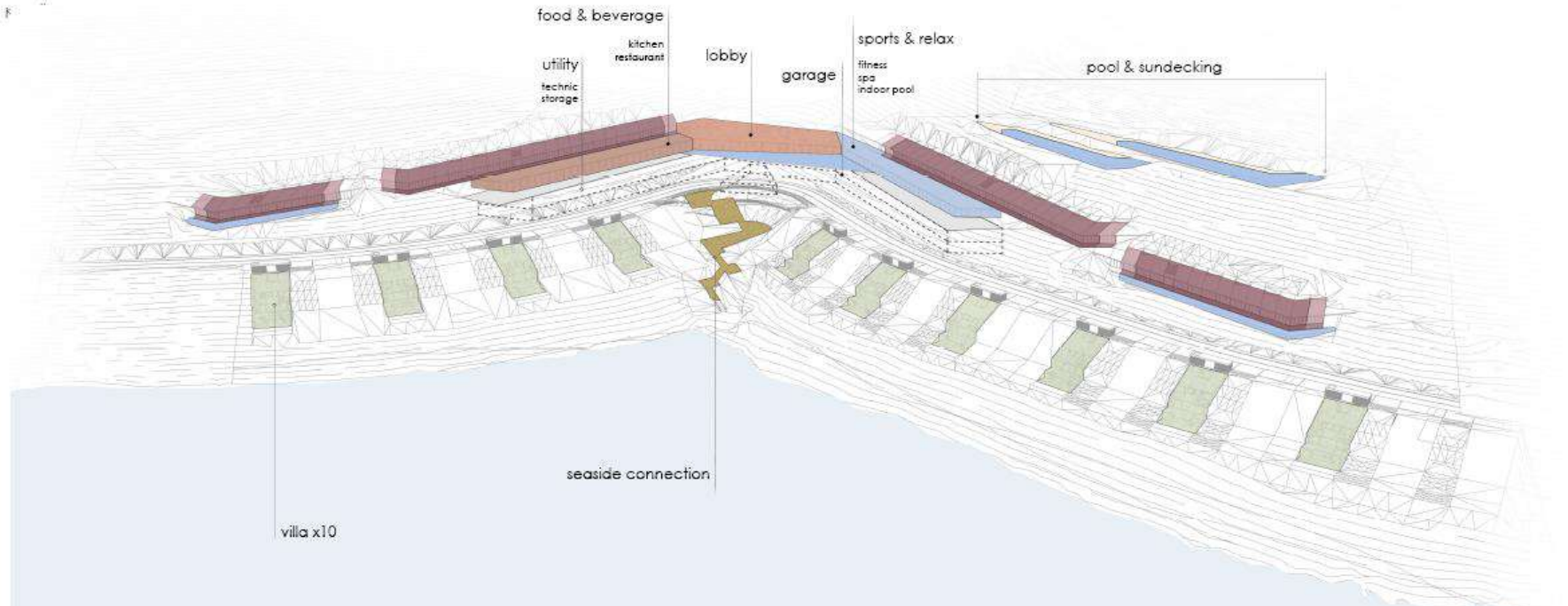


flexibility in development: alternatives or phasing



- Downscaled or Phase 1 development option:
- main hotel building with a total of 72 rooms remains, while the annexes were removed
 - number of villas decreased from 22 to 10
 - two outdoor swimming pools remain
 - all interventions related to the marina have been removed at this stage
 - access to the sea/beach from the hotel remains

flexibility in development: alternatives or phasing



Hotel main building
total GFA 13 434,95 m²

Reception area -1/±0/+1	1 341,73 m²
Lobby	804,02 m ²
Admin	130,77 m ²
Conference	109,13 m ²
Concierge	158,21 m ²
Bar	139,60 m ²
Restaurant & Kitchen	1 185,35 m²
Restaurant	908,95 m ²
Kitchen	276,40 m ²
Spa & Fitness & Pool	1 070,1 m²
Spa	285,71 m ²
Fitness	274,08 m ²
Pool	510,31 m ²
Utility & technical	1 904,33 m²
Garage -1/±0	5 317,72 m ²
Delivery (covered area)	535,82 m ²

Accommodation area:	2 615,72 m²
Standard Rooms x64	30,5 m ²
Deluxe Rooms x8	37 m ²
room terraces:	816,42 m²

10 Villas	60 beds
Villa	278,16 m ²
total GFA	2 781,60 m²

Beds in total	204
Villas	60
Hotel	144
Parking places	200
Villas (2PPV)	20
Garage	167
Hotel staff	13

total GFA	16 216,55 m²
Hotel	13 434,95 m ²
Villas	2 781,60 m ²

statistics
master plan

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